

Introduced by

Senator Kreun

1 A BILL for an Act to create and enact a new section to chapter 6-09 of the North Dakota Century
2 Code, relating to the establishment of a career academy loan program; to provide for a transfer;
3 to provide an effective date; and to provide an expiration date.

4 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

5 **SECTION 1.** A new section to chapter 6-09 of the North Dakota Century Code is created
6 and enacted as follows:

7 **Career academy loan program - Career academy loan fund - Continuing**
8 **appropriation - Audit and costs of administration.**

- 9 1. The Bank of North Dakota shall administer a career academy loan program to provide
10 loans to entities approved by the state board for career and technical education to
11 establish a career academy facility under the statewide area career center initiative
12 grant program. Loan funding must be used for career academy project expenses
13 consistent with the project application approved by the state board for career and
14 technical education and may not be used for additional project initiatives or expenses.
- 15 2. A loan provided under this section must have an interest rate equal to two percent,
16 have a repayment schedule of no longer than 10 years, and be issued no later than
17 June 30, 2025. An entity receiving a loan under this section shall repay the loan from
18 donations or other nonstate sources.
- 19 3. The career academy loan fund is a special fund in the state treasury. This fund is a
20 revolving fund. All moneys transferred to the career academy loan fund, interest on
21 moneys in the fund, and collections of principal and interest on loans from the fund are
22 appropriated to the Bank on a continuing basis for the purpose of providing loans
23 under this section.

1 4. Funds in the career academy loan fund may be used for loans as provided under this
2 section and to pay the costs of administration of the fund. Annually, the Bank may
3 deduct a service fee for administering the career academy loan fund maintained under
4 this section.

5 5. The career academy loan fund must be audited in accordance with section 6-09-29.
6 The cost of the audit and any other actual costs incurred by the Bank on behalf of the
7 fund must be paid from the fund.

8 6. The Bank shall deposit loan repayment funds in the career academy loan fund.

9 **SECTION 2. TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND TO**
10 **CAREER ACADEMY LOAN FUND - REPORT.**

11 1. The office of management and budget shall transfer the sum of \$25,000,000 from the
12 strategic investment and improvements fund to the career academy loan fund during
13 the period beginning with the effective date of this Act, and ending June 30, 2025.

14 2. An entity receiving a loan under section 1 of this Act during the period beginning with
15 the effective date of this Act and ending June 30, 2025, shall report to the department
16 of career and technical education regarding the amount and terms of the loan. The
17 department of career and technical education shall report to the appropriations
18 committees of the sixty-ninth legislative assembly regarding any loans provided under
19 this section.

20 **SECTION 3. EFFECTIVE DATE.** This Act becomes effective immediately upon its filing with
21 the secretary of state.

22 **SECTION 4. EXPIRATION DATE.** Section 1 of this Act is effective through June 30, 2035,
23 and after that date is ineffective.